

## Talking Points for Retirement Events

### Significant Legislation

- The Texas Legislature in 1995 clearly defined the role of TRS: “the purpose of the retirement system is to invest and protect the funds of the retirement system and to deliver benefits provided by statute, not to advocate or influence legislative action or inaction or to advocate for higher benefits.”
- In 1996, when the TRS fund was fully funded, the Texas Legislature reduced the state’s contribution to the lowest permitted by law; this was done with the understanding that when/if the fund was not fully funded, the rate would be raised. Over the years this has not always happened and has prevented the consideration of regular cost-of-living raises for TRS retirees.
- The TRS pension fund returned to actuarially soundness in 2013 for the first time since 1995 by increased contributions from the state, districts, and active teachers which were mandated by the Texas Legislature. The first permanent cost-of-living increase since 2001 (3%, not to exceed \$100 per month) was given but only to the 200,000 TRS retirees who had retired prior to 2005. Unfortunately, as of 2016, the TRS pension is again not actuarially sound and many TRS retirees have gone without any pension increase for over 10 years.
- Since all benefits increases granted by TRS require action by the Texas Legislature, every member of TRS must remain alert and involved in the legislative process. Every two years, all 150 State Representatives are elected/re-elected as well as half of the 31 State Senators who serve four year terms. TRTA has an executive director and volunteer legislative committee who lobby and monitor the actions of all relevant committees and legislative leaders.

### TRS and Its Function

- The TRS pension plan is a defined benefit plan, which means you are guaranteed your benefits for life. You cannot outlive your benefits, but they will not increase without legislation signed by the Governor. Presently, there are groups attacking the defined benefit plan, trying to convince legislators to transition TRS to a defined contribution plan such as a 401(k). If this were to occur, TRS retirees could potentially outlive their benefits.
- It’s important to know TRS annuities do not have a cost of living increase built in. Unless the Texas Legislature makes changes, there will be no annuity increase, although health care premiums may continue to increase.

### TRTA and Its Programs

- TRTA is the only organization that works exclusively for retired public education employees. TRTA has been actively involved in proposing, monitoring and supporting legislation benefiting retired and active public school personnel since it was formed in 1953.
- TRTA’s mission is to promote the preservation and maintenance of the TRS pension trust fund for the purposes established in Article 16 (Section 67) of the Constitution of the State of Texas. The state contribution may not be less than 6% or more than 10 % of the aggregate teacher payroll and their contribution may not be less than 6 % of their salaries.
- TRTA encourages the Texas Legislature and the TRS Board of Trustees to ensure that the Pension Trust Fund is preserved to pay, upon retirement, annuities (and future annuity increases) to the retired members of TRS.
- TRTA works to provide members with information on issues affecting retired school personnel and to educate active teachers about the retirement process. TRTA encourages members to stay active in the community, to stay healthy, to be educated and aware of business scams and personal protection safeguards.
- We hope you’ll support us and join our organization in the preservation of your pension fund and health care benefits.